



PAYROLL GIVING

A guide for employers

SHELTER

shelter.org.uk/payrollgiving

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WHAT IS PAYROLL GIVING?

Payroll Giving (sometimes known as Give as You Earn) is an easy and tax-efficient way of making regular donations to your favourite charities straight from your pay.

HOW DOES IT WORK?

Once you have set up a Payroll Giving scheme, your employees will be able to sign up and start donating.

Each payday, their donation will be taken directly out of their gross salary by your payroll department. The donation will be taken after National Insurance is deducted, but before tax. This means that their donation will cost them up to 45% less through the tax break.

Donations are then sent from your organisation to a Payroll Giving Agency (PGA) who will handle the transfer of the funds to Shelter or any other charities your employees want to support.

Monthly donation amount	Cost to 20% tax payer	Cost to 40% tax payer	Cost to 45% tax payer
Shelter receives: £10	£8	£6	£5.50
Shelter receives: £25	£20	£15	£13.75
Shelter receives: £50	£40	£30	£27.50



WHAT ARE THE BENEFITS?

Employee benefits

- **Make a difference**
Staff can feel proud of their pay cheque, as every payday they are benefitting others
- **Effortless giving**
No bank transfers involved, making this an easy and secure way to regularly support their favourite charities
- **Open for all**
It's inclusive; anyone can get involved and your employees can choose to give as much or as little as they like

Company benefits

- **Boost team morale**
As an employer, having Payroll Giving in place shows that your organisation cares about giving back, which can help to boost staff morale and attract new talent
- **Flexible giving**
Your members of staff will be able to amend their donations whenever they want, simply by contacting the internal payroll team
- **National Recognition**
The Quality Mark Scheme and National Payroll Giving Excellence Awards recognise your business' commitment to giving back through Payroll Giving

Charity benefits

- **Regular income**
To enable charities to plan ahead and focus on charitable objectives
- **A bigger impact**
Unlike Gift Aid, which only adds an additional 25%, charities can benefit from the generosity of supporters in the higher tax brackets

YOUR STEP-BY-STEP GUIDE

1

GETTING EVERYONE INVOLVED

Explain the benefits to teams such as senior management, human resources and payroll. It will be a simple process if everyone is feeling enthusiastic.

2

SIGN UP WITH A PAYROLL GIVING AGENCY

If you haven't already, you'll need to sign a contract with a PGA. PGAs are the facilitators of Payroll Giving and distribute your employees' donations to their chosen charities. They are Payroll Giving experts and can guide you through the set-up process.

3

PROMOTE YOUR SCHEME TO STAFF

Get your staff excited about the scheme (ideas on how to do so can be found on page 5) and signed up to support Shelter via our website.

4

EMPLOYEE SIGN-UP

Your staff can sign up to Payroll Giving through a Professional Fundraising Organisation (PFO) or by filling out the simple form on our website shelter.org.uk/donate/payroll_giving

5

DONATIONS BEGIN

Now that you've got a Payroll Giving scheme and your employees are signed up, your payroll team can start making the deductions each payday.

6

THAT'S IT. CONGRATULATIONS!

Through Payroll Giving, your organisation can join us in ending the devastating impact the housing emergency has on people and our communities.

THE ROLE OF A PAYROLL GIVING AGENCY

Payroll Giving Agencies (PGAs) contract directly with companies to manage their schemes: from employee sign-up to payment to the charity. Employers must be registered with an approved HMRC PGA to run a payroll giving scheme.

There are a number of Payroll Giving Agents which can be found on **HMRC website**. The below agencies are the three largest, and ones which Shelter has relationships with.

PGAs recommended by Shelter:

- Charitable Giving
- Charities Aid Foundation (CAF)
- Charities Trust

THE ROLE OF A PROFESSIONAL FUNDRAISING ORGANISATION

PFOs are experts in Payroll Giving and exist to help with your fundraising. They can arrange for a fundraiser to visit any of your offices or branches to inform your teams about charities that they can give to, in a friendly, no pressure manner.

They are independent from the charities that they represent, meaning they can promote all charities equally and can help your members of staff decide which charities they would like to donate to.

This can range from a short visit, where they come and briefly meet members of the team, to being part of a promotional day that you may wish to organise.

Below is a list of PFOs that Shelter has long-standing relationships with. Get in touch to talk about how they can help you promote your Payroll Giving scheme.

PFOs recommended by Shelter:

- Hands On Payroll Giving
- Payroll Giving in Action
- StC

HOW TO PROMOTE YOUR PAYROLL GIVING SCHEME

GET EVERYONE FAMILIAR WITH PAYROLL GIVING

If you have an internal communications team, ensure there are comms dedicated to Payroll Giving. You could also write a piece for your intranet, send emails, put up posters and speak at team meetings.

These could contain: an explanation of the benefits of Payroll Giving, information on how to sign up, case studies from charities to show how donations make an impact (for Shelter case studies, please contact payrollgiving@shelter.org.uk).

SET AN EXAMPLE

Get as many members of senior management to sign up to your Payroll Giving scheme as you can.

If you can get a photograph of this, or a written statement as to why they choose to donate via their payroll, is a great way to show staff that your organisation is committed to making a positive impact through charitable giving.



MATCHED GIVING

Matched giving is a powerful way to encourage your employees to sign up to Payroll Giving. Your company has the option to boost an employees' donations – this can be like for like, or you might prefer to donate a set amount per employee.

You can also choose to donate a one-off amount when employees sign-up. This additional gift is then added to your employees' donations. Giving them an extra incentive to start Payroll Giving and make their charitable donations go further.

CONSIDER REWARDING STAFF MEMBERS WHO SIGN UP

Recognising your staff's generosity will go a long way in ensuring they feel appreciated.

You can do this by:

- creating a prize draw for something like a voucher or an additional day of annual leave
- rewarding all staff who sign up with something smaller, such as sweets, badges or finishing work early that day
- encouraging some healthy competition (particularly if you are promoting the scheme in multiple branches)
- a thank you from the CEO to those who have joined the scheme

MAKE A DAY OF IT

Promoting Payroll Giving on a specific day makes it fun and engaging. A PFO can help with ideas, support by sending a fundraiser to promote the scheme and sign up your employees on the day. This can be done in whatever way you choose, such as:

- a quick conversation with staff whilst they work
- having a table or stand in the canteen/staff room to talk to staff whilst on their break
- gathering staff together for a short presentation

However you choose to promote Payroll Giving, make sure you give staff members plenty of notice so that they can start thinking about charities they might like to support.

THE IMPACT OF YOUR PAYROLL GIVING DONATIONS

Monthly donation amount	Cost to 20% tax payer	Cost to 40% tax payer	Cost to 45% tax payer
Shelter receives: £10	£8	£6	£5.50
Could help fund a webchat for someone facing homelessness. Giving the in-depth advice that they need to tackle their housing situation head on, with written evidence to prove that they have researched their rights.			
Shelter receives: £25	£20	£15	£13.75
Could help pay for a call to our emergency helpline, ensuring that those facing homelessness or a housing issue that puts them at risk of harm, have access to support and advice.			
Shelter receives: £50	£40	£30	£27.50
Could help fund two face-to-face chats with an adviser. We have Shelter Hubs across the UK set up to make sure people in difficulty have access to support and advice. From parents who are raising children in temporary accommodation, older people struggling to cover their rent with their state pension to people sofa-surfing.			

OUR WORK IN ACTION

Sophie was sitting in her car outside her local council office with her husband and two young children.

The kids were tired and hungry, but the family couldn't go home. Sophie and her husband's working hours had been cut, childcare costs went up, and they found themselves with no money and nowhere to spend the night.

A Shelter emergency helpline adviser, Adam, picked up her call. He listened carefully and started to formulate a plan.

Adam spoke to the council on Sophie's behalf and checked the relevant housing law. That night Sophie and her family had somewhere safe to stay.

More than 7,000 calls are made to our emergency helpline every week, which is open 365 days a year, including Christmas Day.

With your help, we can stand with people and offer expert support and advice when it matters most.



PAYROLL GIVING RECOGNITION



QUALITY MARK

The Government supported Payroll Giving Quality Mark is a benchmarking system that recognises exceptional Payroll Giving schemes.

Every employer that offers Payroll Giving to their employees is eligible to receive a Quality Mark, and it's a fantastic opportunity to show your achievements as an organisation.

The deadline for Quality Mark applications is usually in April, with certificates sent in June.

The National Payroll Giving Excellence Awards celebrate the most effective and innovative Payroll Giving schemes in the UK and are awarded at an annual ceremony.

If you have received a quality mark you will be eligible to submit an application. To submit your application or to find out more, visit: payrollgivingawards.co.uk

QUALITY MARK LEVELS

Based on the percentage of your workforce donating through Payroll Giving.



Bronze: over 1%



Silver: over 5%



Gold: over 10%



Platinum: over 20%




Diamond

Awarded to companies with **at least 30% employee participation** in Payroll Giving and that have fulfilled at least one of the below criteria:

- paid the Payroll Giving agency admin fee on behalf of their employees
- match funded employee donations
- carried out an active promotion

HOW WE CAN SUPPORT YOU



Payroll Giving is a great way for you and your employees to make a big impact on the people we stand with and support, no matter which charity (or charities) you choose. However, if joining the fight for home is the right choice for you, Shelter can support through promotion, planning, set-up and beyond.

We can provide you with:

- Promotional material and content to raise support and excitement to join the fight for home
- Recommendations and advice on working with the right PGAs and PFOs to make setting up your Payroll Giving scheme a breeze
- Regular updates on the impact your donations are making
- Regular updates on the impact your donation are making. Last year we raised an incredible £650,000

MAKING AN IMPACT: MITCHELLS & BUTLERS CASE STUDY



MITCHELLS & BUTLERS

Our employees really value being able to support a charity they care about via Payroll Giving, and we are thrilled that we can utilise this benefit as another way of supporting our corporate charity partner, Shelter.

Lauren Farrell
Reward & Policy Manager,
Mitchells & Butlers



SHELTER

The generous amount of money raised by our amazing payroll givers last year was as much as it costs to keep our emergency helpline open for four months.

This could allow us to give vital housing advice and support to over 20,000 individuals who contact us for support.

I would recommend that every company that is able to support through Payroll Giving sets up a scheme.

Not only does it help charities like ours, but it's a quick and easy way for people to give to important causes.

Andrea Deakin
Emergency helpline manager,
Shelter



FAQ

WHAT IS 'MATCHED GIVING'?

Matched giving is a powerful way to encourage your employees to sign up to Payroll Giving. Your company has the option to boost an employees' donations – this can be like for like, or you might prefer to donate a set amount per employee. You can also choose to donate a one-off amount when employees sign-up. This additional gift is then added to your employees' donations. Giving them an extra incentive to start Payroll Giving and make their charitable donations go further.

WHAT ROLE WILL MY PAYROLL DEPARTMENT TAKE?

Your payroll team will play an integral part in the scheme, with minimal effort. All modern payroll systems can easily implement Payroll Giving, usually through a simple 'tick box' option. Once your employees have signed up, your payroll department will deduct the donations each payday (weekly or monthly). The total sum of donations from all employees will then be sent to your PGA. They will be on hand throughout the process to help answer any questions your payroll department may have.

HOW FLEXIBLE IS PAYROLL GIVING FOR MY EMPLOYEES?

The scheme is as flexible as your employees want it to be. They can increase, decrease, start or stop their donations at any time. Another benefit is that donations can be made to one or more charities – all they need to do is specify which charities they would like their donations to go to.

WHAT'S THE DIFFERENCE BETWEEN PAYROLL GIVING AND GIFT AID?

Both Payroll Giving and Gift Aid are tax incentives. However, Gift Aid is capped at 25%, and the charity must claim the donor's tax back from HMRC. With Payroll Giving, the tax saving for higher rate taxpayers is greater than Gift Aid and is more efficient. Payroll Giving reduces admin time, as charities receive donations already including the tax relief.

WHY DO WE NEED TO SIGN A PGA CONTRACT?

A contractual agreement will secure your working relationship with a PGA and provides HMRC with the necessary audit trail for pre-tax payroll deductions. The contract authorises the employer to commence deductions.

HOW DO I CHOOSE A PGA?

There are several HMRC-registered PGAs to choose from. You can find a list of PGAs at the end of this guide. Once you have chosen a PGA, download a copy of their registration agreement from their website, or call them and they will send one to you. All you have to do is complete it and return it.

HOW ARE FUNDS TRANSFERRED VIA PGAS

All funds are sent to your PGA by your payroll department, and then transferred to your chosen charity(ies). The donation deductions will then appear on employees' payslips. Your PGA will also provide reports, so you can keep track of total employee donations.

HOW MUCH DO PGAS CHARGE?

Most PGAs take a small administration fee (typically, 0-4%) which is deducted from the employee's donation before being sent to the charity(ies). A growing number of companies are choosing to cover the admin charge on behalf of their employees, to further boost employee sign-ups.

WHO ARE PFOS, AND HOW CAN THEY HELP?

PFOS specialise in workplace fundraising. Sending out trained fundraisers who visit organisations and to tell staff about Payroll Giving, answer questions and carry out the sign-up process. PFOS are paid by charities for recruiting donors and charge no fees to the employer. A list of PFOS is available at the end of this guide.

FURTHER INFORMATION AND CONTACTS

Email payrollgiving@shelter.org.uk

Shelter provides additional information on our website:
shelter.org.uk/payrollgiving

We also have relationships with the PGAs and PFOs listed below and will happily put you in touch.

Email PayrollGiving@shelter.org.uk to set up an introduction.

PAYROLL GIVING AGENCIES (PGAS):

Charities Aid Foundation (CAF)

03000 123 000
giveasyouearn@cafonline.org
www.cafonline.org/giving-as-a-company/engaging-employees/caf-give-as-you-earn

Charitable Giving

01822 611 180
mail@charitablegiving.co.uk
www.charitablegiving.co.uk

Charities Trust

0151 286 5129
info@charitiestrust.org
www.charitiestrust.org

PROFESSIONAL FUNDRAISING ORGANISATIONS (PFOS):

Hands on Payroll Giving

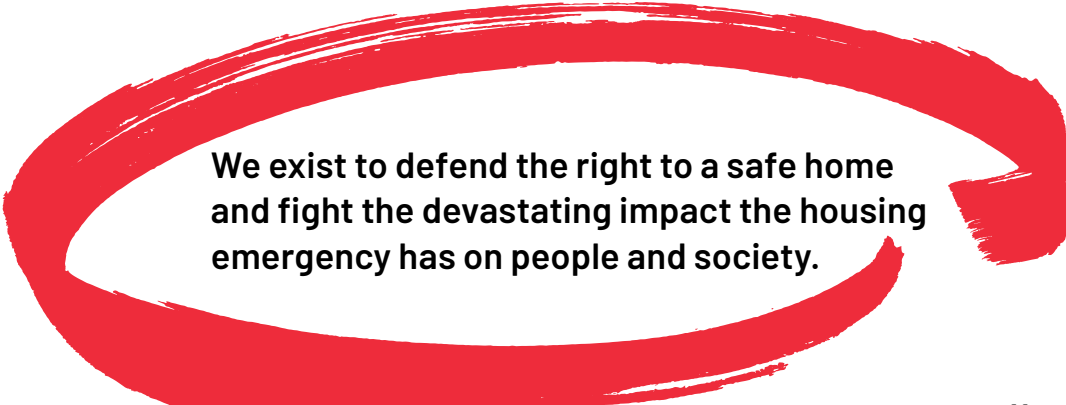
01433 612 882
askus@hopg.co.uk
www.handsonpayrollgiving.co.uk

Payroll Giving in Action

01271 344 360
info@payrollgiving.co.uk
www.payrollgiving.co.uk

StC Payroll Giving

03000 123 800
info@stcpayrollgiving.co.uk
www.stcpayrollgiving.co.uk



We exist to defend the right to a safe home and fight the devastating impact the housing emergency has on people and society.

THANK YOU!

Shelter

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Home is everything.

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Registered charity in England & Wales (263710) and Scotland (SC002327).
VAT Number 626 5556 24.
Registered address 88 Old Street, London, EC1V 9HU.



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